

**Maryland Energy Administration  
EmPOWER Clean Energy Communities  
2011 Low-to-Moderate Income Grant Program**

**Overview**

In Fiscal Year 2011, the Maryland Energy Administration (MEA) has \$1.4 million in EmPOWER Clean Energy Communities grant funds available through the Strategic Energy Investment Fund (SEIF) for entities that serve Maryland's low-to-moderate income households.

The EmPOWER Clean Energy Communities grants will be competitively awarded to energy efficiency projects that generate significant energy savings, with the financial benefits of the energy savings being passed on to Maryland's low-to-moderate income residents.

In order to ensure an equitable distribution of grant funds, each Maryland county (or county equivalent) was appropriated an allocation of EmPOWER Clean Energy Communities grant funds based on the number of low-to-moderate income households residing in the respective county (or county equivalent). Grant funds will be awarded competitively within the applicant pool for each respective county.

The chart below shows each county's allocation of EmPOWER Clean Energy Communities low-to-moderate income grant funds.

<u>County</u>	<u>County Allocation</u>	<u>County</u>	<u>County Allocation</u>
Allegany	\$24,000	Harford	\$47,000
Anne Arundel	\$91,000	Howard	\$36,500
Baltimore City	\$193,500	Kent	\$21,000
Baltimore County	\$193,000	Montgomery	\$193,000
Calvert	\$21,000	Prince George's	\$216,000
Caroline	\$21,000	Queen Anne's	\$21,000
Carroll	\$28,000	St. Mary's	\$21,000
Cecil	\$22,000	Somerset	\$21,000
Charles	\$30,500	Talbot	\$21,000
Dorchester	\$21,000	Washington	\$38,000
Frederick	\$52,500	Wicomico	\$25,000
Garrett	\$21,000	Worcester	\$21,000

**General Information**

The 2011 EmPOWER Clean Energy Communities low-to-moderate income grant program is being operated on a county-by-county basis. If an applicant wishes to apply for grants in multiple counties, a **SEPARATE** grant application must be submitted for each county.

Please use the use the EmPOWER Clean Energy Communities grant program application and complete all sections of the application. You may attach additional information to the application if you wish. If a particular question does not apply to your project, write "not applicable" in that section. During the review process, MEA may request additional information and will set deadlines for future submittals.

### **Grant Project Period**

MEA anticipates that grant agreements will be available for signature by approximately **December 1, 2010**. All grant funds must be spent and invoiced by no later than **May 30, 2011**. While completing your grant application, please plan on developing a project that can be completed within the grant period described above.

### **Eligible Applicants**

The following organizations are eligible to receive funding through the 2010 EmPOWERing Clean Energy Communities low-to-moderate income grant program:

- Local governments (counties and/or municipalities)
- Incorporated non-profit organizations
- Homeowners associations as defined by Title 11B of the Real Property Article, Code of Maryland
- Condominium associations as defined by Title 11 of the Real Property Article, Code of Maryland

Non-profit organizations must include a description of their organization in the grant application. Additionally, proof of incorporation must be included as an attachment to the grant application.

Homeowners associations and condominium associations must provide a description of the association in the grant application. Additionally, a copy of the declaration that the association has filed in the respective county's land records must be included as an attachment to the grant application.

### **Eligible Use of Grant Funds**

Grant funds **must** be used to fund energy efficiency projects that benefit Maryland's low-to-moderate income population. For the purposes of this application, low and moderate income households are defined as households with total household incomes that are less than 60% and 85%, respectively, of the median statewide income in Maryland. All applicants **must** be able to show that all beneficiaries of this grant are low-to-moderate income, as defined by the 2010 State income levels, found on the Maryland Department of Housing and Community Development (DHCD) website at <http://www.dhcd.maryland.gov/Website/Programs/PRHP/Documents/2010IncomeandPriceLimits.pdf>.

Applicants should ensure that they clearly explain how their proposed project will exclusively target low-to-moderate income households.

Grant applicants do not have to receive the energy benefits directly (for instance, a non-profit organization could apply for a grant to make energy efficiency improvements in a multifamily residential building where the residents are responsible for paying utility bills).

The majority of Grant funds should be directly used on the energy efficiency projects and the costs of construction, rehabilitation, or modification related to a project including the purchase and installation of necessary machinery, or equipment. Some Grant funds may be used for the following project related costs:

- (1) The costs of implementing projects, including the costs of necessary technical assessments, studies, surveys, plans and specifications, start-up, architectural, engineering, and other special services;
- (2) The costs of procuring necessary technology, equipment, licenses or materials; and
- (3) The costs of training.

The emphasis of this grant is to implement projects that produce measurable energy savings. For this reason, the eligible activities described in items 1-3 above should be a limited portion of the budget.

The Grant is not intended for Renewable Energy projects such as solar, solar thermal, geothermal, and other renewable energy technologies. Such projects do not meet the Grant criteria and will not be funded.

#### *NEW CONSTRUCTION*

For new construction projects, the Grant will fund the **incremental** cost(s) associated with increasing the energy efficiency of a product:

Example 1: Upgrading from a baseline efficiency 13 SEER air conditioning unit to a more efficient 15 SEER air conditioning unit. The Grant can pay the price differential between the 13 SEER unit and the 15 SEER unit.

Example 2: Insulating beyond the requirements of the 2009 Residential Energy Code. For example, most of Maryland is located in Climate Zone 4. In Climate Zone 4, wood frame walls require at least R-13 insulation. The Grant could pay the incremental costs of upgrading from the minimum of R-13 to a higher level of insulation.

For all new construction projects, please provide any baseline data with the Grant application along with energy efficiency upgrade cost(s).

#### *EXISTING CONSTRUCTION RETROFITS*

For existing construction retrofits, the cost(s) associated with increasing the energy efficiency of a product are eligible providing they are cost effective measures. Cost effective measures are defined to be those measures that yield at least a 10% return on investment (ROI) (e.g. a \$5,000 investment yields \$500 in annual energy savings,

recouping the cost of the project in ten years and resulting in a 10% ROI). Please provide documentation and assumptions for the 10% ROI with your Grant application.

### *APPLIANCE REPLACEMENTS*

For appliance replacements, all appliances funded under this grant must be ENERGY STAR qualified. If an ENERGY STAR version is not available, MEA is unlikely to fund that appliance replacement (i.e. No clothes dryers have received the ENERGY STAR designation because most clothes dryers use similar amounts of energy).

### **Grant Conditions**

As a condition of the grant award, all grant recipients must agree to not discriminate in any manner against an employee or grant beneficiary because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or disability of a qualified individual with a disability.

### **Administrative Costs**

Administrative costs associated with program oversight and billing are allowable through the EmPOWER Clean Energy Communities grant program but must not exceed more than 10% of the grant award. If you wish to include administrative costs in your grant proposal, please provide a detailed description of how the administrative funds are going to be used in your proposed project. Administrative costs must be billed after the administrative costs have been incurred. Administrative costs will not be paid up front.

### **Project Funding**

There is no upper or lower limit on the amount of funds for which an applicant may apply except for the county-by-county allocations described above.

To comply with the Strategic Energy Investment Fund statute, low income residents cannot be charged for participation in programs that receive EmPOWERing Clean Energy Communities low-to-moderate income grant awards.

Grants may be made in conjunction with, or in addition to, financial assistance provided through other State or federal programs. In all cases, grant funds must supplement, and not supplant, other funding sources.

Grantees are encouraged to make a contribution to the project, acceptable to the Administration, which may take the form of:

- 1) Cash
- 2) Contribution of in-kind services acceptable to the Administration
- 3) Contribution of equipment, labor, or materials for use in the project

Grant funds will be distributed using a reimbursement process. This process will take approximately 30 days. No grant funds will be provided up front.

## **Evaluation Criteria**

After dividing the grant proposals up on a county-by-county basis, proposals will be evaluated using three primary criteria:

- 1) Annual Energy Savings
- 2) Impact on Maryland's low-to-moderate income residents
- 3) The ability of the project to be completed and invoiced during the proposed grant period

In order for a grant to be evaluated favorably, the application should include detailed, quantifiable energy savings. The application should also clearly indicate how low-to-moderate income Marylanders will be identified and how they will benefit (i.e. lower energy bills, increased services, more low-to-moderate income individuals served) from the proposed project. All assumptions should be clearly outlined.

To aid in energy savings calculations, MEA has posted an energy calculator created by the U.S. Department of Energy (DOE) to help estimate energy savings associated with American Recovery and Reinvestment Act (ARRA) energy projects. This project may be useful to help estimate energy savings for some potential EmPOWER Clean Energy Community grant projects.

To use the calculator, you will need to "enable the macro" associated with the calculator, select the correct tab for your type of project (residential energy efficiency, non-residential energy efficiency, etc.), input the zip code where the project is occurring, and then enter the necessary information required for your specific energy measure(s). This calculator can be used to help estimate the actual energy savings associated with your EmPOWER grant. The calculator can be downloaded at [http://www.energy.state.md.us/documents/ARRA Benefits Reporting Calculator.xls](http://www.energy.state.md.us/documents/ARRA_Benefits_Reporting_Calculator.xls).

MEA may also factor job creation, job training, and financial contributions from the applicant organization in the grant evaluation process.

## **Application Submission**

Applicants are advised to review the application and supporting documents carefully. Application materials will be posted on the Maryland Energy Administration website:

<http://www.energy.state.md.us/incentives/state-local/empowercleanenergycommunities.asp>

Applications must be submitted to the Maryland Energy Administration by the close of business on **Thursday, September 30, 2010**. No late applications will be accepted.

For any project occurring in multiple counties, a separate application must be submitted for each county. Combined applications for multiple counties will not be evaluated.

### ***Instructions for Submitting Applications:***

Applications are to be submitted via Email to the Maryland Energy Administration at

**EmPOWER@energy.state.md.us**

Applications should be submitted as PDF files or as *Word 1997-2003* files. Please be aware that there is a 10 MB file size limit on emails to this email address.

While electronic applications are preferred, paper applications will be accepted but they must be received by MEA prior to the application deadline. Paper applications should be addressed to:

Maryland Energy Administration  
Attn: EmPOWERing Clean Energy Communities Grant Program  
60 West Street, Suite 300  
Annapolis, MD 21401

No applications will be accepted after the deadline.

**Grantee Responsibilities**

***Reporting Requirements***

Grantees will be required to enter into a grant agreement with MEA. Once grants have been awarded, grantees will be responsible for submitting the following reporting documents to the Maryland Energy Administration, as a condition of the grant award:

- 1) Updated grant audit schedule
- 2) Monthly Grant Progress Reports
- 3) Final Grant Report

The 2010 EmPOWER Clean Energy Communities grant program reporting form is available on the MEA website at [http://www.energy.state.md.us/documents/ReportForm4\\_22\\_10.doc](http://www.energy.state.md.us/documents/ReportForm4_22_10.doc). The 2011 grant reporting form will be very similar, if not identical, to the 2010 grant reporting form.

***Historical Preservation***

In order to comply with the National Historic Preservation Act of 1966, all buildings (including individual homes) being updated using an EmPOWER Clean Energy Communities low-to-moderate income grant must first be reviewed to ensure that the proposed grant project will not have any “adverse effects” on a historic property. Grant recipients will be required to provide MEA with documentation from the Maryland Historical Trust, or other qualified historian or historic organization, showing that the proposed project will have “no adverse effect” on historic properties.

Additional information on the historical preservation review process can be found on the Maryland Historical Trust’s website at <http://mht.maryland.gov/governments.html>.

**Grant Invoicing**

All EmPOWERing Clean Energy Communities grants will be distributed through a reimbursement process. The grant recipient will need to generate an invoice and then send the invoice, as well as any supporting documentation, to MEA in order to receive

grant funds. Supporting documentation indicating funds expended, such as a copy of the vendor invoice or a receipt should be provided to MEA with the invoice.

### **Questions**

Grant application questions should be directed to either Jenn Gallicchio, the Community Energy Efficiency Program Manager, at [jgallicchio@energy.state.md.us](mailto:jgallicchio@energy.state.md.us) or Dean Fisher at [dfisher@energy.state.md.us](mailto:dfisher@energy.state.md.us).